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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91201703
Party	Defendant Istituto Italiano Sicurezza dei Giocattoli S.r.l.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
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MICHAEL BRANDT FAMILY TRUST d/b/a ECO-SAFE OF DALLAS, Opposer, v. INSTITUTO ITALIANO SICUREZZA DEI GIOCATTOLI S.R.L.	Opposition No. 91201703 Application No. 77960950 Mark: ECO-SAFE

APPLICANT'S OPPOSITION TO
OPPOSER'S MOTION TO DISMISS APPLICANT'S FRAUD COUNTERCLAIM

I. Opposer's Motion is not a Rule 12(b)(6) motion for failure to state a claim, and Applicant's counterclaim does adequately state a claim for fraud

Opposer Michael Brandt Family Trust purports to move to dismiss Applicant's counterclaim for fraud on the basis of Fed. R. Civ. P. 12(b)(6), failure to state a claim. Dismissal under this rule requires Opposer to show that Applicant's allegations, when taken as true, fail to state a claim for fraud. Opposer completely ignores this requirement, and instead recites a litany of arguments that are irrelevant to whether or not Applicant's counterclaim for fraud properly makes sufficient allegations regarding each and every element of fraud. Whatever is the basis of Opposer's motion to dismiss Applicant's fraud claim, it is not Rule 12(b)(6), failure to state a claim, and it is not related to the merits of Applicant's counterclaim.

Applicant notes that its counterclaim for fraud is not like Opposer's first two attempts to allege fraud, in its initial Notice of Opposition and in its First Amended Notice of Opposition. These two pleadings are prototypical failures to state a claim for fraud and required Opposer to file a third Notice of Opposition before it would withstand a Rule 12(b)(6) motion.

II. Standing for Applicant's counterclaim remains regardless of whether its application is deemed void, and Opposer continues to pursue its confusion claim

Opposer's motion appears to argue that Applicant's counterclaim for fraud lacks standing because Applicant's application will be deemed void. This is incorrect.

Standing for Applicant's fraud claim arose because Opposer asserted a confusion claim against Applicant's application based on an alleged likelihood of confusion with Opposer's registrations. Applicant's fraud claim has standing because it attacks one of Opposer's asserted registrations. Opposer's confusion claim is not eliminated simply because Applicant's application will become void. The confusion claim remains live and Opposer has given no indication that it will attempt to withdraw it.

Opposer is damaged, and continued to be damaged, by Opposer's registration No. 1,749,733 because Opposer has claimed, **and continues to claim**, that this registration is confusingly similar to Applicant's application. It is immaterial that Applicant's application may, during the course of this proceeding, be deemed to be *void ab initio*. Even if Applicant's application is deemed void pursuant one of Opposer's non-confusion claims, this alone does not in any way resolve or remove Opposer's claim for confusion. A determination that an application is void is not the same, and does not have the same effect, as a determination that the application is confusingly similar. The parties have a live dispute as to whether Opposer is entitled to a judgment that there is a likelihood of confusion.

Opposer must choose whether it will continue to pursue its confusion claim and try to obtain a judgment of confusion (and the Board must determine whether it will allow Opposer to continue if it elects to).

Opposer characterizes Applicant as an "intermeddler" because it seeks to cancel the registration that Opposer relies upon for its confusion claim against Applicant's application. However, Opposer's legitimate interest in challenging the basis of Opposer's confusion claim is undisputable and Opposer's characterization is inexplicable. It is Opposer who is the true intermeddler because it will apparently maintain its confusion claim even after the voidance of Applicant's application. While there is some authority that it is Opposer's option to do this, Applicant believes that it is a waste of judicial resources to allow Opposer to proceed. The Board should use its inherent authority to dismiss Opposer's confusion claim.

III. Standing for Applicant's Counterclaim will remain even if Opposer's confusion claim is dismissed

Applicant notes that even if the Board were to dismiss Opposer's confusion claim pursuant to a stipulated or non-stipulated request, the law is settled this also would not remove Applicant's standing to seek cancellation of the registration that Opposer had been relying on to establish confusion.

Standing and jurisdiction for Applicant's claim attacking the registration asserted by Opposer remains unless Opposer "moots" the previously established case or controversy under a "mootness" standard clarified by the Supreme Court in *Already, LLC D/B/A Yums v. Nike, Inc.*, 133 S.Ct. 721, 727 (U.S. 2013), 568 U.S. ___ (2013). Applicant cannot simply withdraw the assertion of its registration and then expect to be from a claim that attacks that registration. *See id.* The rule is that Opposer can remove standing and jurisdiction only by "mooting" the previously established standing and jurisdiction, and this can be done only by voluntary action that makes it "absolutely clear [that] the alleged wrong behavior [asserting a fraudulently obtained registration in an opposition proceeding] could not reasonably be expected to recur."

Id. The Supreme Court describes this "mootness" standard as a "formidable burden." *Id*. The only possible way for Opposer to meet this standard is to provide an unqualified covenant to not assert its '733 registration against Applicant at any time in the future. *See. id.*

To reiterate, the question of whether a previously established standing to counterclaim against a registration *continues* is not assessed according to the classic, ordinary case or controversy analysis. Rather, whether standing and jurisdiction for the counterclaim continues is assessed according to a mootneess standard that asks whether Opposer has, through voluntary activity such as a covenant, mooted the previously established case or controversy. This question is dependant on whether there is any chance that Opposer could ever go back to its old ways of asserting a registration that was fraudulently obtained and maintained.

In conclusion, Opposer appears to continue to assert is confusion claim, so Applicant clearly continues to have standing to attack the registrations on which Oppose relies. The fact that Applicant's application may be void is technically immaterial to both Opposer's standing to continue to assert confusion and Applicant's standing to continue to assert a counterclaim against Opposer's registration. If Opposer requests a stipulation to dismiss it confusion claim, Applicant will consider the request. However, even upon stipulated withdrawal of Opposer's confusion claim, Applicant may still elect to continue to seek cancelation of Opposer's fraudulently obtained and maintained registration.

Dated: September 6, 2013

Respectfully submitted,

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Certificate of Service

I herby certify that the within Opposition and Motion for Sanctions was served on this 6th day of September 2013 via U.S. mail, postage prepaid, to the below listed counsel of record for Applicant:

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